

**MINUTES OF THE
COMMERCE AND WORKFORCE SERVICES
APPROPRIATIONS SUBCOMMITTEE**
Room 110, West Office Building, State Capitol Complex
February 6, 2008

MEMBERS PRESENT: Sen. Jon Greiner, Co-Chairman
Rep. Michael Morley, Co-Chairman
Sen. Mark Madsen
Sen. Karen Mayne
Sen. Wayne Niederhauser
Rep. Sylvia Andersen
Rep. Jim Dunnigan
Rep. Craig Frank
Rep. Lynn Hemingway
Rep. Mark Wheatley
Rep. Larry Wiley

STAFF PRESENT: Danny Schoenfeld, Fiscal Analyst
Karen Mitchell, Committee Secretary

Note: A list of handouts and visitors lists will be filed with committee minutes.

Co-Chair Rep. Morley called the meeting to order at 2:04 p.m.

MOTION: Rep. Andersen moved to approve the minutes of January 31, 2008. The motion passed unanimously. Rep. Frank, Rep. Hemingway and Rep. Wiley were absent for the vote.

Request for Appropriations:

Rep. Oda explained H.B. 344, Alcoholic Beverage Enforcement Provisions. The intent of the bill is to take the prosecutory and penalty abilities away from the DABC and give them to the Attorney Generals Office. The appropriation involved will be a transfer of funds between the DABC to the Attorney Generals Office. The funding for this transfer will come from the Liquor Control Funds that have already been appropriated.

Rep. David Clark briefed the committee on the Deaf Center in Saint George. The Department of Rehabatation is asking for \$180,000 for a hard of hearing specialist. Rep. Clark recommends that the committee support the request.

Rep. Clark responded to questions from the committee.

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Sen. Mayne, assisted by Dr. Kurt Hegmann, University of Utah, briefed the committee on the Rocky Mountain Center for Occupational and Environmental Health Center at the University of Utah. The Center studies and treats work place accidents. Sen. Mayne further briefed them that there has been a restricted account within the General Fund known as the Eddie P. Mayne Workplace Safety and Occupational Health Account which provides funding for programs at the Rocky Mountain Center. Sen. Mayne is asking for \$150,000 ongoing and \$100,000 one-time funding for education programs, research activities, administration and related costs of the Center. Handouts were distributed to the committee.

Dennis Lloyd, Senior Vice President Workmans Compenstation, and Richard Burke, Utah Association of Justice spoke in support of the Center.

Sherrie Hayashi, Commissioner, Labor Commission, represented Senator Dimtrich in explaining the need for coal mine safety. The Commissioner stated various recommendations to assist in the prevention of and response to coal mine accidents.

Kevin Walthers, Vice President of Finance, College of Eastern Utah, explained to the committee about the Western Energy Training Center and it's role in providing industry-driven, hands-on training to companies throughout Utah in mine safety. They are seeking funding from the Legislature to keep the center in operation. A handout was distributed.

David Litvin, President of Utah Mining Association, and Dennis Lloyd, Workmans Compensation, support the Commission in their recommendations.

Public Service Commission

Danny Schoenfeld, Fiscal Analyst, stated that the Public Service commission receives the majority of its revenue from restricted Revenue. The total budget for the Commission is \$11.5 million.

The Analyst recommends that the Legislature adopt the base budget amount of \$11,594,300 for Fiscal Year 2009. The Analyst recommends that the Public Service Commission be granted nonlapsing authority for 2009 FY. The Analyst also recommends that the Public Service Commission develop metrics that will help track the overall performance and accountability of the commission. It is further recommended that the Public Service Commission report the developed metrics to the Commerce and Workforce Service Appropriations Subcommittee during the 2008 Interim.

Ted Boyer, Chairman, Public Service Commission, assisted by Julie Orchard, Administrator Public Service, presented an overview of the rates and services which the Commission oversees. They stated that the primary responsibility of the Commission is to ensure safe, adequate and reasonably-priced utility service to the public. They provided a handout to the committee.

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Mr. Boyer and Ms. Orchard responded to questions from the committee.

Labor Commission

The Analyst briefed the committee on the claims filed and wages collected as well as the workplace accident rates.

The Analyst recommends the following 2009 budget requests: Legal Counsel - \$91,200 to hire staff to address the Labor's Commission's growing number of appeals waiting for final decisions. Workers Compensations Claims and Insurance Coverage Claims Specialist - \$56,200, hiring an additional FTE that will assist with the growing number of cases they are handling. Replacement of General Funds from Restricted Funds - \$708,500 for Industrial Accidents from the Uninsured Employers Fund and replace the existing funds with General Fund monies. Labor Commission Support Specialist - \$67,000 to hire an additional FTE to assist with the current and growing caseload in Employers Reinsurance Fund.

The Analyst further recommends Intent Language:

Labor Commission fees collected from sponsoring and holding seminars are nonlapsing.

The Labor commission is authorized to not lapse up to \$50,000 for computer equipment and software; and \$15,000 for replacement for broken and out-dated furnishings.

The Labor Commission is authorized to not lapse dedicated credit funds collected from mine certification fees.

The Analyst stated that the Labor Commission is not requesting any fee increases.

Sherrie Hayashi, Commissioner Labor Commission, stated that the Utah Labor Commission serves the citizens fo Utah by assuring a safe, healthful, fair, non-discriminatory work environment; assuring fair housing practices; and promoting the general welfare of employee and employers in the State of Utah.

Ms. Hayashi further informed the committee of actions that had taken place regarding last years audit.

Alan Hennebold, Director Labor Commission, responded to questions from the committee regarding workplace accident claim appeals.

David Lamb, Director Labor Commission, clarified information that had been distributed to the committee members.

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MOTION: Rep. Wiley moved to adjourn. The motion passed unanimously. Rep. Morley adjourned the meeting at 3:27 p.m.

Sen. Jon Greiner, Co-Chair

Rep. Michael Morley, Co-Chair